



County of Los Angeles
CHIEF ADMINISTRATIVE OFFICE

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DAVID E. JANSSEN
Chief Administrative Officer

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Third District

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Fifth District

January 10, 2006

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**JOINT TAX TRANSFER RESOLUTION BETWEEN THE COUNTY OF LOS ANGELES
AND THE CITY OF HAWTHORNE APPROVING AND ACCEPTING THE
NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUE AS A RESULT OF THE
PROPOSED ANNEXATION OF UNINCORPORATED LOS ANGELES COUNTY
TERRITORY TO THE CITY OF HAWTHORNE, DETACHMENT FROM COUNTY
ROAD DISTRICT NO. 2, COUNTY LIGHTING MAINTENANCE DISTRICT 1687,
COUNTY LIGHTING DISTRICT LLA-1, AND THE LENNOX GARBAGE DISPOSAL
DISTRICT**

**(ANNEXATION 2005-32 [CITY OF HAWTHORNE])
(SUPERVISORIAL DISTRICT 2) (3 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Adopt the Joint Resolution between your Board and the City Council of the City of Hawthorne (City) based on the negotiated exchange of property tax revenue, as a result of the proposed annexation of approximately 0.45 acres of uninhabited County territory, located in the unincorporated Lennox area, to the City of Hawthorne.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On December 13, 2005, the City Council of the City of Hawthorne adopted the attached Joint Resolution based on the negotiated exchange of property tax revenue resulting from the proposed annexation of approximately 0.45 acres of uninhabited land (attached).

In order for the Local Agency Formation Commission (LAFCO) for Los Angeles County to proceed with the required hearings on the proposed annexation, your Board, as the governing body of the County of Los Angeles, County Road District No. 2, County Lighting Maintenance District 1687, County Lighting District LLA-1, and Lennox Garbage Disposal District, must adopt the attached Joint Resolution.

FISCAL IMPACT/FINANCING

The adopted resolution will transfer Two Hundred Forty-Two Dollars (\$242) in base property tax revenue from the County to the City and .071878779 percent of the Annual Tax Increment (ATI) ratio attributable to the annexation from the County to the City commencing in Fiscal Year 2006-07.

Tax Rate Area	Percent of County Share Before ATI Transfer	Percent of ATI Transfer Rate to City	Adjusted County Share After ATI Transfer to City
05237	29.3429515	.071878779	29.27107272

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Pursuant to Part 3, Division 3, Title 5 of the California Government Code, commencing with Section 56000, the City filed its application with LAFCO on September 15, 2005 to initiate proceedings for annexation of approximately 0.45 acres of unincorporated Los Angeles County territory to the City of Hawthorne.

Section 99 of the Revenue and Taxation Code requires that prior to the effective date of any jurisdictional change, the governing bodies of all agencies whose service area or service responsibilities will be altered by such change must negotiate a reallocation of property tax revenue between the affected agencies, and approve and accept such reallocation by resolution. The City of Hawthorne adopted the Joint Resolution on December 13, 2005 pursuant to Section 99 of the Revenue and Taxation Code.

Adoption of the Resolution by your Board will allow LAFCO to schedule the required public hearing to consider testimony on the proposed annexation. LAFCO will subsequently take action to approve, approve with changes, or disapprove the proposal.

The Joint Resolution has been approved as to form by County Counsel.

Honorable Board of Supervisors
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CONCLUSION

At such time as the recommendation is approved by your Board, please return one copy of this letter and three signed originals of the Resolution to LAFCO, one copy of this letter and one signed original of the Resolution to the Chief Administrative Office, Office of Unincorporated Area Services and Special Projects, and one copy of the letter and Resolution to the Auditor-Controller, Tax Division.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "David E. Janssen", with a stylized flourish at the end.

DAVID E. JANSSEN
Chief Administrative Officer

DEJ:MKZ
DSP:TMH:os

Attachments (1)

c: Auditor-Controller
County Counsel

RESOLUTION NO. 7005

JOINT RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES AND THE CITY COUNCIL OF THE CITY OF HAWTHORNE APPROVING AND ACCEPTING THE NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUE RESULTING FROM ANNEXATION 2005-32 TO THE CITY OF HAWTHORNE AND DETACHMENT FROM COUNTY ROAD DISTRICT NO. 2, COUNTY LIGHTING MAINTENANCE DISTRICT 1687, COUNTY LIGHTING DISTRICT LLA-1, AND THE LENNOX GARBAGE DISPOSAL DISTRICT GENERALLY PERTAINING TO THE PROPERTY LOCATED AT 11137 FREEMAN AVENUE

WHEREAS, pursuant to Section 99 of the Revenue and Taxation Code, for specified jurisdictional changes, the governing bodies of affected agencies shall negotiate and determine the amount of property tax revenue to be exchanged between the affected agencies; and

WHEREAS, the area proposed for annexation is identified as Hawthorne Annexation 2005-32 which consists of approximately 0.45+ acres of uninhabited territory to the City of Hawthorne; and

WHEREAS, the Board of Supervisors of the County of Los Angeles, as governing body of the County and County Road District No. 2, County Lighting Maintenance District 1687, County Lighting District LLA-1, and the Lennox Garbage Disposal District, and the City Council of the City of Hawthorne have determined the amount of property tax revenue to be exchanged between their respective agencies as a result of the annexation of unincorporated territory identified as Hawthorne Annexation 2005-32 to the City of Hawthorne and detachment of said territory from Road District No. 2, County Lighting Maintenance District 1687, County Lighting District LLA-1, and the Lennox Garbage Disposal District.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The negotiated exchange of property tax revenue between the County of Los Angeles and the City of Hawthorne resulting from Annexation 2005-32 is approved and accepted.

2. For fiscal years commencing on or after July 1, 2006, or the July 1 after the effective date of this jurisdictional change, whichever is later, Two Hundred Forty-Two Dollars (\$242) in property tax revenue shall be transferred from the County of Los Angeles to the City of Hawthorne. In addition, for each fiscal year commencing on or after July 1, 2006, or the July 1 after the effective date of this jurisdictional change, whichever is later, .071878779 of the annual property tax growth attributable to Annexation 2005-32 shall be transferred from the County of Los Angeles to the City of Hawthorne for tax rate area 05237, and the County's share of incremental growth in the proposed annexation area shall be reduced accordingly.

3. For fiscal years commencing on or after July 1, 2006, or the July 1 after the effective date of this jurisdictional change, whichever is later, all property tax revenue received by County Road District No. 2 attributable to Annexation 2005-32 shall be transferred to the County of Los Angeles.

4. For fiscal years commencing on or after July 1, 2006, or the July 1 after the effective date of this jurisdictional change, whichever is later, all property tax revenue received by the County Lighting Maintenance District 1687 to Annexation 2005-32 shall be transferred to the County of Los Angeles.

5. The area within Annexation 2005-32 is currently within the jurisdiction of the Consolidated Fire Protection District of Los Angeles County (CFPD) and shall remain so, and the CFPD shall continue to receive its share of property tax revenues in the subject annexation area. If at any time after the approval of this resolution, the City of Hawthorne exercises its option to terminate its contract with the CFPD such that the area within Annexation 2005-32 to the City of Hawthorne is detached from the CFPD, a portion of the amount of property taxes received by the CFPD from properties within the annexation area to the City of Hawthorne shall be calculated by the County of Los Angeles and transferred to the City of Hawthorne, and the remainder shall be transferred to the County of Los Angeles.

6. In the event that all or a portion of the annexation area is included within a redevelopment area project pursuant to California Community Redevelopment Law, Health & Safety Code Sections 33000 et. seq., the City of Hawthorne shall not adopt the ordinance approving the redevelopment plan with respect to the annexed area until such time as the Redevelopment Agency of the City of Hawthorne has diligently and in good faith complied with all applicable provisions of the California Community Redevelopment Law, including but not limited to, Health & Safety Code Section 33670 or any other relevant provision of the law. Any ordinance approving a redevelopment project which does not comply with this paragraph shall be void and of no effect with regard to the subsequent allocation and distribution of taxes to the Redevelopment Agency.

PASSED, APPROVED and ADOPTED this 13th day of December, 2005.


LAWRENCE M. GUIDI, Mayor
City of Hawthorne, California

ATTEST:

Angie Reyes English
ANGIE REYES ENGLISH, City Clerk
City of Hawthorne, California

APPROVED AS TO FORM:

APPROVED AS TO FORM:



GLEN E. SHISHIDO, City Attorney
City of Hawthorne, California

(SIGNED IN COUNTERPART)

The foregoing resolution was on the _____ day of _____, 2005, adopted by the Board of Supervisors of the County of Los Angeles and ex officio the governing body of all other special assessment and taxing districts, agencies and authorities for which said Board so acts.

VIOLET VARONA-LUKENS, Executive Officer
Clerk of the Board of Supervisors
of the County of Los Angeles

By _____
Deputy

APPROVED AS TO FORM:
OFFICE OF THE COUNTY COUNSEL

RAYMOND G. FORTNER, JR.

By [Signature]
Deputy

/ /

(SIGNED IN COUNTERPART)